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OGC HAS REVIEWED.

C O P Y

Attachment B

28 November 1952

MEMORANDUM FOR: Senior Representative, NAC

SUBJECT : Report of [REDACTED] Discussions

25X1A

1. In accordance with your expressed views that [REDACTED] should evaluate the results of our investigations in connection with the undersigned took to [REDACTED] the [REDACTED] report on [REDACTED] the tape recordings of the interview and other pertinent papers. Before [REDACTED] could make final decisions, it was incumbent on us to provide them with as full information as we had.

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2. Immediately upon arrival, I met with [REDACTED] to arrange for the procedures to be followed. I stated the purpose as simply to provide information. [REDACTED] used the opportunity to explain much of the background relating to [REDACTED] and, in particular, the bankers' position on fiscal responsibility. He went into great detail to explain that the bankers had adopted the position, and properly so in his opinion, that they would assume full fiscal responsibility, and for this purpose they had inserted within [REDACTED] a number of personnel. Gradually, it became apparent that [REDACTED] was adopting the position of defense counsel for [REDACTED] and attempting to place me in a position as the prosecutor. I explained to [REDACTED] that I felt this was an improper position for either of us and that I could not accept it. With that, the first meeting closed, and arrangements were made to have recording machines available for the next interview, to play back the tapes.

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3. Although I had been informed by [REDACTED] that recording machines were available to play the tapes, it developed that machines on the scene were set at a different speed. The final result was, after a great deal of effort, that the tapes could not be played back. However, [REDACTED] did have the [REDACTED] report and the previous cable summary of the case which had been sent to Washington ([REDACTED] 8209).

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4. The next morning we gathered to go into the matter. Present were [REDACTED] and myself. In addition, [REDACTED] had present a stenographer who, I was informed, is a staff agent of [REDACTED]. [REDACTED] indicated that he desired to make the day's session a matter of

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25X1A record. Therefore, for the record, I indicated my position on behalf
25X1A of [] of presenting the facts which we had developed to [] 25X1A
and [] those facts were being presented to and for their use
only; indicated further that my participation would be passive only;
that I had conducted all necessary interrogations of [] and would
not, at this interview, ask any further questions. 25X1A

25X1A A. [] then conducted an interrogation of [] 25X1A
which very quickly developed into a situation where he again
was acting as defense counsel, preparing and developing de-
fense through asking leading questions. At a break in the
interrogation, I reiterated my view that he was so acting and
was accomplishing nothing by way of developing facts. I
25X1A further pointed out that there were many questions which
could be asked which would assist in establishing the facts. 25X1A
[] indicated that it was his intention to put [] at
ease in order that, when he got down to the pertinent ques-
tions, [] would be more likely to give the complete story.

25X1A B. The interrogation continued, and although [] 25X1A
began asking questions which were more pertinent, the true
and complete story was never elicited from [] It is 25X1A
25X1A my conclusion that [] simply did not wish to accept
25X1A the facts. This was confirmed by [] in private dis- 25X1A
cussions. [] has stated that he had heard the full
story from [] and is convinced that the summary forwarded
25X1A to Washington, as well as the [] reports, are accurate 25X1A
in substance. [] further stated that [] "has a chip
on his shoulder so far as the bankers are concerned." 25X1A

25X1A 5. At the conclusion of the interrogation, and after [] had
25X1A left, [] began discussing their views as to the action
to be taken by them on [] future status. They accepted fully
the fact that theirs was the responsibility to make such determination,
25X1A and any review of their actions would be, in the sense, that the bankers
could disapprove of the exercise of their assigned responsibilities as
25X1A officers of the Company. [] stated that it had been planned to
have [] and three others promoted simultaneously to Vice Presidents.
25X1A It was felt desirable for morale purposes to handle the promotions in
such a manner. In considering [] status, [] initially stated 25X1A
that he felt they should simply call in [] and tell him that, al- 25X1A
though they had made plans to promote him at the next meeting, they
would have to delay it until the next monthly meeting. At this point,
25X1A I suggested that [] were discussing their own internal
25X1A affairs which did not concern me. On this note, the discussions con-
cerning [] ended.

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25X1A 6. There was also discussed the question of assignee and col-
lector of [REDACTED] assets. There was received in [REDACTED] a cable from 25X1A
25X1A Washington designating [REDACTED] as the collector and assignee through
25X1A [REDACTED] There was prepared a cable to Washington, which is attached
25X1A hereto. [REDACTED] In effect, [REDACTED] duties in this problem will
25X1A be roughly the same, except that no documents will be made out in his
25X1A name. The original plan was solely to have [REDACTED] act as a leg man 25X1A
25X1A and to perform mechanical tasks at the direction of this station.
Headquarters' cable, stating that [REDACTED] shall direct and control such 25X1A
25X1A activities, somewhat weakens the position of the [REDACTED] station in dir-
25X1A ecting collection and ultimate disposition of assets. However, all 25X1A
25X1A efforts will be made to continue the same relationship with [REDACTED]
25X1A in [REDACTED], and upon [REDACTED] departure, Deputy Chief, Administration,
NAC, will continue overseeing the job.

25X1A

Attachment - A/S

JSW:km (26 November 1952)

Distribution :

Orig. and 1 - Addressee
1 - Chief, Admin.

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ORIGINAL DOCUMENT MISSING PAGE(S):

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